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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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In the Matter of)
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Defining Primary Lines)
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DOCKET FILE COPY ORIGINAL JUL 6 1999
CC Docket No. 97-181

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**REPLY OF THE ASSOCIATION FOR TELECOMMUNICATIONS
PROFESSIONALS IN HIGHER EDUCATION (ACUTA)**

The Association for Telecommunications Professionals in Higher Education ("ACUTA") makes these reply comments in response to the comments that have been filed with reference to ACUTA's Petition for Reconsideration of the Federal Communications Commission's ("Commission's") Report and Order in the above referenced docket.

In summary, ACUTA's Petition for Reconsideration of the Commission's Report and Order adopting a location-based definition of primary and non-primary residential lines for purposes of calculating SLC and PICC charges was based on the following points:

1. That the location-based definition would place an unfair cost burden on hundreds of thousands of college students and educational institutions that have residential Centrex service in their dormitories, by increasing the SLC and PICC charges for all but one of the lines in campus housing rooms and suites.
2. While the location-based definition may be appropriate in single-unit dwellings and apartment units, the situation in campus housing differs significantly in that students are required to live in a particular housing unit with one or more unrelated individuals. Therefore, there is no practical or equitable method of determining which

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line should be considered “primary” and qualified for reduced SLC and PICC charges, and which should be considered non-primary.

3. For a college or university with 15,000 Centrex lines to student housing, the increase in SLC and PICC costs alone directly attributable to the new location-based definition would be \$318,600 which would have to be either absorbed by the non-profit institutions or passed on to students.

4. The new location-based definition will impose significant and costly new administrative burdens on both colleges and LECs, requiring new systems to sort billing records by service locations. This administrative burden is supported by comments from various commenters on the Petitions for Reconsideration, which will be addressed below.

SBC Communications, Inc. (“SBC”) has submitted comments to the Commission, to the effect that the Commission should eliminate the distinction between primary and non-primary lines altogether, making this issue moot (para. 2). SBC further states that it does not necessarily oppose the effort by ACUTA and the other Petitioners to seek an exception to the definition for college dormitory rooms (para. 3). However, SBC seeks time and compensation for the changes that it would have to make to its billing systems in order to accommodate any such exception (para. 5).

ACUTA contends that at least some colleges and universities with residential Centrex service within the areas served by SBC companies have been billed on the basis of all college dormitory Centrex lines being considered primary lines since the

SLC and PICC charges went into effect.¹ We believe that the administrative burden for continuing this practice with respect to college dormitory Centrex lines would be minimal for several reasons: First, this is the basis on which college Centrex lines have been previously billed. Further, colleges typically control large blocks of numbers, and the all-primary lines designation would be for entire blocks, rather than on a line-by-line basis. Finally, in dealing with college Centrex lines, the LECs will be dealing with a single customer, not many individual customers, thus making the transition relatively simple to execute. There is typically one single bill that goes to the college, for which the college is responsible for payment. As explained below, the college often then issues individual bills for each student. Thus, the potentially serious administrative burden of having to deal with many different customers and lines, making line-by-line determinations, would not occur.

ACUTA is unable to support SBC's recommendation (para. 5) that revenue neutrality for creating the "dormitory exemption" should be achieved by recalculating all other non-primary residential line costs, and refiling the non-primary line charges to allow for cost recovery. We do not have enough information on the financial impact of such a change on the non-primary line rate, nor do we have enough information on the

¹ ACUTA has been informed that several institutions in California have what is termed "Dorm Centrex Service" provided by Pacific Bell, in which all dormitory Centrex lines are considered primary residential lines. These institutions include the University of California at Santa Barbara (UCSB) and California Polytechnic State University, and also includes other colleges and universities. (Currently, UCSB does not pay PICC charges due to a state contract in which MCI absorbs the PICC charges. However, if and when that contract renews that institution and others may be liable for PICC charges.)

actual cost of implementing the “dormitory exemption” to comment on this recommendation.

In AT&T’s “Opposition to Petitions for Reconsideration”, AT&T asserts (para. 6) that a college or university could readily average the increased non-primary line charges into the costs for all student users. Although there are some instances in which the cost of local telephone service is averaged among all students and included in the housing cost, this is not always the case. In fact, AT&T is well aware that many colleges issue separate bills for each student residing in student housing, because AT&T contracts with many schools to perform this billing function. AT&T fails to address in its comments the inequity that will exist where two, four or eight students residing in a single campus housing unit have unequal local telephone service costs because one line is arbitrarily designated as primary, and all others as secondary.

AT&T also asserts (para. 6) that the \$42 annual difference in PICC and SLC is a *de minimis* amount. AT&T fails to note that when multiplied by the number of residential lines typical for colleges and universities, the additional expense becomes significant. For a school with 6,000 lines, assuming that there are only two students and therefore two lines per dorm room, the increase would be \$127,440 per year. For a school with 10,000 residential lines, the increase would be \$212,400, and for a school with 15,000 residential lines the difference would be \$318,600. When added to the current annual SLC and PICC costs, the total annual costs for institutions with 6,000 to 15,000 lines under the new location-based regime ranges from \$417,600 to \$1,044,000.

This poses a very burdensome additional mandated cost on schools, which find it difficult to pass these continuing cost increases along to students with limited budgets. We find it difficult to believe that the Commission's intent was to create such major cost increases for schools. We would also point out that the PICC and SLC fees were designed to be revenue-neutral, but our members have not seen a corresponding decrease in per-minute rates to compensate for the increased flat fees.

AT&T also states in response to the California PUC Petition for Reconsideration that a subscriber-based definition would allow subscribers to "game the process by obtaining multiple lines under different account names." (para. 8) That is a virtual impossibility in a college and university setting. Students are assigned to their housing sites, and do not generally have a choice in the matter if they wish to reside in campus housing. Students residing in a dormitory room or suite are unrelated individuals. In a scenario where they are individual subscribers and obtain service directly from the LEC, it would be entirely proper for them to request a separate account. The Commission can remove any incentive to "game the process" by creating an exception to the location-based rule for campus housing. In a scenario where the school obtains all lines on the students' behalf and is responsible for paying the bill, it would be far simpler and more cost effective for both the LEC and the college to avoid the need to differentiate between primary and secondary lines in each individual housing unit.

In its "Comments of Bell Atlantic on Petitions for Reconsideration", Bell Atlantic accurately points out to the Commission (para. 5) that the administrative burden of

differentiating between primary and non-primary lines would be significant, because of the wide variety of billing arrangements that exist between LECs and colleges.

Bell Atlantic also accurately points out (para. 6) that in many cases students do not have control over their room assignments and the phone lines assigned to them. In fact, colleges often decide by policy to provide one line per student whether or not it is requested. Particular telephone numbers may be reconfigured from room to room as the situation demands it, and it would literally be an administrative nightmare to determine in each case which is the "primary" line in a particular room. ACUTA supports Bell Atlantic's contention (para. 1 and 6) that an exception is justified for college dorm lines, and that the factual situation in college dorm rooms makes it desirable for the Commission to reconsider the policy decision to impose the location-based definition for residential lines in campus housing.

ACUTA also supports the similar points that are made in the "Comments of U S West Communications, Inc." ("U S West"). U S West, like Bell Atlantic, supports the position of the original petitioners (ACUTA, Brown University and Moultrie Independent Telephone Company) by correctly observing that the strict application of a location-based definition will impose an unreasonable administrative burden on both colleges and local exchange carriers (paras. 2, 3, and 4). U S West also points out, as Bell Atlantic also states in para. 5 of "Comments of Bell Atlantic on Petitions for Reconsideration", that it often has no billing relationship with the student and therefore no means of determining which line in a multi-occupant dormitory room should be considered the primary line (para. 3).

Finally, ACUTA also supports the comment by U S West (para. 5) that the requested exception for residential lines in college dormitories would not require any invasive investigation into living arrangements, because campus housing invariably involves occupancy of unrelated individuals who are assigned to housing units by the college. ACUTA also agrees with the statement by U S West (para. 5) that such an exemption would be narrowly defined and easily administered.

In summary, there is strong record support, and no persuasive opposition, for ACUTA's request that the Commission reconsider its decision to apply a location-based definition of primary lines to residential lines in college dormitories. We reiterate our request that the Commission amend Section 69.152(h) by creating an exemption to the location-based definition for residential lines in campus housing. Thank you for your consideration.

Respectfully submitted,

The Association for Telecommunications
Professionals in Higher Education (ACUTA, Inc.)

By: Anthony Mordosky
Anthony Mordosky
President
ACUTA
152 West Zandale Blvd., #200
Lexington, KY 40503
(606)278-3338

July 6, 1999

CERTIFICATE OF SERVICE

I, Robin Walker, hereby certify that on this 6th day of July, 1999, I caused copies of the foregoing attached Reply of ACUTA to be sent via hand-delivery or via first-class mail, postage pre-paid to the following:

*Jane Jackson
Chief, Competitive Pricing Division
Common Carrier Bureau
Federal Communications Commission
The Portals, 445 Twelfth St., S.W.
Fifth Floor
Washington, D.C. 20554

*Sheryl Todd (3 copies)
Federal Communications Commission
Accounting and Audits Division
Universal Service Branch
2100 M Street, N.W., Room 8611
Washington, D.C. 20554

*International Transcription Services
1231 20th Street, N.W.
Washington, D.C. 20036

Peter Tannenwald
Elizabeth S. Houlton
Counsel for Brown University
Irwin, Campbell & Tannenwald, P.C.
1730 Rhode Island Avenue, N.W.
Suite 200
Washington, D.C. 20036-3101

Beverly E. Ledbetter, Esq.
Vice President and General Counsel
P.O. Box 1913, Brown University
Providence, RI 02912-1913

David A. Irwin
Elizabeth S. Houlton
Counsel for Moultrie Independent
Telephone Company
Irwin, Campbell & Tannenwald, P.C.
1730 Rhode Island Avenue, N.W.
Suite 200
Washington, D.C. 20036-3101

Buck Bayliff
President
ACUTA
152 West Zandale Drive, Suite 200
Lexington, KY 40503

Peter Arth, Jr.
Lionel Wilson
Ellen S. Levine
Attorneys for the People of the
State of California and the
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Edward Shaken
Bell Atlantic Telephone Companies
1320 North court House Road
Eighth Floor
Arlington, VA 22201

M. Robert Sutherland
Richard M. Sbaratta
Helen A. Shockey
Bellsouth Telecommunications, Inc.
1155 Peachtree Street, N.E.
Atlanta, GA 30306-3610

Thomas A. Pajda
Alfred G. Richter, Jr.
Roger K. Toppins
Michael J. Zpevak
SBC Communications, Inc.
Southwestern Bell Telephone Company
Pacific Bell, Nevada Bell,
Southern New England Telephone
Company
One Bell Plaza, Room 3003
Dallas, TX 75202

Jeffrey A. Brueggeman
U.S. West Communications, Inc.
Suite 700
1020 19th Street, N.W.
Washington, D.C. 20036

Michael S. Pabian
Counsel for Ameritech
Room 4H82
2000 West Ameritech Center Drive
Hoffman Estates, IL 60196-1025



Robin Walker

*By Hand